

EXHIBIT A - 3

THE STATE OF TEXAS :
 : 40385...\$3.00
 COUNTY OF DALLAS :

KNOW ALL MEN BY THESE PRESENTS: That SOUTHERN METHODIST UNIVERSITY, a corporation by and through its President thereunto duly authorized by resolution of the Executive Committee of said University passed on the 1st day of December, 1950, for and in consideration of the stipulations and agreements, and subject to the conditions hereinafter set forth, all of which are accepted by the Lessee, has demised, leased and let, and by these presents does demise, lease and let for a period or term of Nine-nine (99) years from the date hereof, to THETA EDUCATIONAL FOUNDATION OF SOUTHERN METHODIST UNIVERSITY, a corporation incorporated under the laws of the State of Texas, those certain premises situated in the County of Dallas, in the State of Texas, and more particularly described as follows:

Being Lot One, (1), Block "A", S M U Sorority Place, a subdivision of parts of Tracts Two (2) and Three (3) of the Frances Daniel Partition and a re-plat of part of Block A of Berkley Addition to the City of University Park;

TO HAVE AND TO HOLD unto the said Lessee and its successors said premises and appurtenances for and during said period or term of Ninety-nine (99) years.

Lessee agrees to pay to Lessor as rent One and no/100 (\$1.00) Dollar per year, and as the further and principal consideration for said lease, Lessee agrees that it will cause to be erected upon said premises under the direction and supervision of the Lessor a sorority building of an approximate cost of One Hundred Twenty-five Thousand and No/100 Dollars (\$125,000.00), in accordance with plans and specifications to be approved by the Lessor in advance. As a further consideration, Lessor has agreed to loan to Lessee for Lessee's use in building the above mentioned building the sum of Seventy-five Thousand and no/100 (\$75,000.00) Dollars, for which said sum Lessor herein retains a first vendor's lien on the leasehold

estate herein created and which first vendor's lien shall extend to and cover all improvements hereafter erected on the premises leased and pursuant thereto; said Seventy-five Thousand and No/100 (\$75,000.00) Dollar loan is further evidenced and secured by a note and deed of trust of even date herewith executed by Lessee to Lessor. Lessee further agrees to carry fire and tornado insurance on said premises in such amount as may reasonably be procurable.

It is understood and agreed that no assignment of this contract shall be made by the Lessee without the written consent of the Lessor, except that a mortgage by way of an assignment of the leasehold estate hereby granted may be made by the Lessee to Kappa Alpha Theta, an unincorporated association, in order to secure the payment of said sorority by way of a second lien not to exceed Twenty-six Thousand and No/100 (\$26,000.00) Dollars on the above premises, together with improvements, of any sums of money advanced and paid by said sorority on the costs for the erection and equipping of the above building contemplated to be constructed on said premises hereunder but which lien shall be inferior to the superior vendor's lien reserved by the Lessor herein in the above paragraph.

It is understood and agreed that these premises shall never be used for other than fraternity, sorority or dormitory purposes. Said premises shall never be used or occupied except by students or other persons directly connected with the University, or employees, servants or housekeepers interest in the care, control or upkeep of the improvements herein, and any breach of this agreement and any use or attempted use of said premises for any other purpose shall authorize the Lessor, its successors and assigns, to immediately enter upon and repossess said premises, and all right, title and interest herein shall immediately revert to Lessor, its successors and assigns; and, likewise, at the expiration of said lease, the title to said premises and

improvements shall revert to and vest in the lessor, its successors and assigns.

It is further stipulated and agreed that the leased premises and the improvements thereon shall be used strictly in accordance with the rules, restrictions and terms of the governing authorities of the Lessor, and that the Lessor shall have the right to prescribe and impose additional restrictions and rules from time to time as the governing authorities of Lessor may deem proper to insure orderly conduct and proper discipline on the part of the Lessee or occupants of said premises and of persons holding under them, including the right on the part of the Lessor to prescribe health and sanitary regulations and to enforce payment for water, light, heat and other charges, including taxes, if any, and such other rules and regulations as the welfare of the University and the occupants of the improvements on the leased premises may reasonably demand in the judgment of the Lessor.

In case of a breach or default in any of the terms and conditions of this lease, Lessor may enforce the performance of this lease in any modes provided by law, and this lease may be forfeited at Lessor's discretion if such breach or default continue for a period of ten days after the Lessor notifies said Lessee of such breach or default and its intention to declare the lease forfeited, such notice to be sent by Lessor by mail or otherwise to the leased premises; and thereupon (unless the Lessee shall have completely removed or cured said breach or default) this lease shall cease and come to an end as if that were the day originally fixed herein for the expiration of the term hereof, and shall result in a reversion of the title to said premises to said Lessor.

Should the Lessee voluntarily cease to function by its own action this lease shall terminate and the property, together with all improvements, shall revert to Lessor, and the University is expressly authorized to adjust

any equities between itself and Lessee, and the Lessor in such event and in case of such reversion obligates itself to so adjust equities existant at that time as between itself and Lessee. However, should the Lessee involuntarily cease to function or to occupy the property either through some regulation of the University authorities, by requirement of law, eminent domain, or for any reason beyond Lessee's control, this lease shall terminate and the property, together with improvements, shall revert to the Lessor, but the University agrees to compensate the Lessee for all the improvements placed upon the property by Lessee on the basis of the fair value of such improvements at the time of such reversion as determined by agreement between Lessor and Lessee, or in case of disagreement, as conclusively determined by the regularly appointed Appraisal Committee of the Dallas Real Estate Board. All debts of Lessee to Lessor and all liens or charges against the improvements shall be paid first and any balance due Lessee as such compensation shall be paid in cash to Lessee, its successors or assigns.

All of the terms and stipulations of this agreement shall be covenants running with the land and binding on the Lessee and its successors.

This instrument is executed by the Lessee under and by virtue of a resolution of its Board of Trustees duly passed on the 11th day of December, A. D. 1950.

IN TESTIMONY WHEREOF, the said two corporations have caused these presents to be executed and attested by their respective officers, with corporate seals affixed, on this the 14th day of December, A. D. 1950.

ATTEST:

SOUTHERN METHODIST UNIVERSITY

Secretary

By

President

Lessor

ATTEST:

THETA EDUCATIONAL FOUNDATION OF
SOUTHERN METHODIST UNIVERSITY

Secretary

By

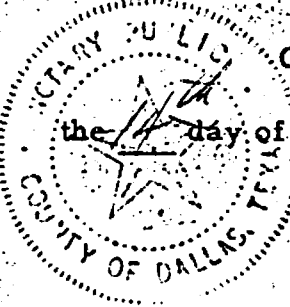
President

Lessee

(Corporate Seal)

THE STATE OF TEXAS :
:
COUNTY OF DALLAS :

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Umphrey Lee, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of SOUTHERN METHODIST UNIVERSITY, a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed and in the capacity therein stated.



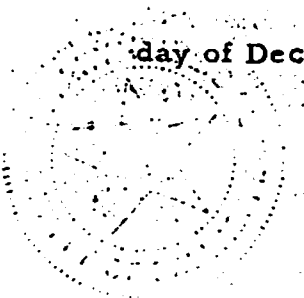
GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS
the 14 day of December, A. D. 1950.

Mae S. Fee MRS. MAE S. FEE, Notary Public
in and for Dallas County, Texas
Notary Public in and for Dallas County, Texas

THE STATE OF TEXAS, :
:
COUNTY OF DALLAS. :

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Eleanor Muse Harris, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of said THETA EDUCATIONAL FOUNDATION OF SOUTHERN METHODIST UNIVERSITY, a corporation, and that she executed the same as the act of such corporation for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 14th
day of December, A. D. 1950.



Edwin T. Beckham
Notary Public in and for Dallas County, Texas
EDWIN T. BECKHAM

Mr. L. S. Brindley, Vice-President
and Trust Officer
Dallas National Bank
Dallas, Texas

Dear Mr. Brindley:

We are enclosing herewith note dated December 14, 1950 for \$75,000.00 signed by Theta Educational Foundation of Southern Methodist University by Mrs. Eleanor Muse Harris, President, 5422 Farquhar, Dallas. This note bears interest at the rate of $4\frac{1}{2}$ percent per annum payable in 300 monthly installments of \$416.90 beginning September 1, 1951, the payments to include principal and interest. We are also enclosing recorded Lease Agreement and recorded Deed of Trust, securing the note.

Since we did not consummate this loan until September 25, 1951 at the time of the completion of the building, we are collecting at interim, interest on the advances which we have made on this loan from time to time up to October 1, 1951 in the amount of \$481.70, therefore, the first monthly payment on this note will begin on November 1, 1951.

This loan is being made from the B. & W. Trust Account, and we shall appreciate it if you will acknowledge proper receipt of the note and other papers advising us of the collection number. You will handle this note in the usual way, remitting to the University the interest each month and depositing the amount paid on the principal of the note in the B. & W. Trust Account.

Very truly yours,

Layton W. Bailey
Secretary - Treasurer

Paid
11/1/51 - 416.90
12/1/51 - 416.90
1/1/52 - 416.90
2/1/52 - 416.90
3/1/52 - 416.90
LWB-d
encl.

prepared by Hal Yoakum, Architect, which plans and speci-
fications together with an addendum thereto, are concur-

**CERTIFIED COPY OF RESOLUTION
OF BOARD OF TRUSTEES OF THETA
EDUCATIONAL FOUNDATION OF
SOUTHERN METHODIST UNIVERSITY**

"WHEREAS, the corporation is desirous of procuring a lot upon the campus of Southern Methodist University upon which to erect a sorority house; and,

"WHEREAS, Southern Methodist University, a corporation, is willing to lease to the corporation a lot owned by the said University, said lot being described as follows:

Being Lot One (1), Block "A", S M U Sorority Place, a subdivision of parts of Tracts Two (2) and Three (3) of the Frances Daniel Partition and a re-plat of part of Block A of Berkley Addition to the City of University Park;

and,

"WHEREAS, Southern Methodist University has further agreed to loan to the corporation the sum of Seventy-five Thousand and no/100 (\$75,000.00) Dollars, which said sum is to be used in the building of a sorority house upon property owned by Southern Methodist University for the use of the corporation:

"NOW, THEREFORE, BE IT RESOLVED that the President and Secretary, on behalf of the corporation, be and they are hereby authorized to enter into a lease, on behalf of the corporation, from Southern Methodist University, a copy of which lease is attached hereto and made a part hereof for all purposes, the same as though fully copied herein.

"BE IT FURTHER RESOLVED that the corporation borrow Seventy-five Thousand and No/100 (\$75,000.00) Dollars from Southern Methodist University and that the President and Secretary of the corporation sign and deliver a promissory note therefor due twenty-five (25) years from the date of execution thereof, bearing interest at the rate of four and one-half (4-1/2%) per annum, payable monthly, and that the President and Secretary, on behalf of the corporation, sign, seal with the corporate seal, acknowledge and deliver a deed of trust containing the usual covenants, warranties and

conditions on the leasehold estate created under the above lease to secure the payment of said note. Said deed of trust will contain the following provisions which will inure to the benefit of the corporation, to-wit:

" It is distinctly understood and agreed by all parties hereto that the note herein and hereby secured is executed and delivered by the undersigned to Southern Methodist University to evidence and as security for monetary advancements by Southern Methodist University to the undersigned as and for building costs in the construction and erection of a sorority house on the above land and premises; that the undersigned shall be indebted on said note only to the extent of actual monetary advancements therefor as may be hereafter made by Southern Methodist University and only to the extent of such advancements; and that interest shall accrue on the principal of such advancements only from the date of disbursement thereof by Southern Methodist University and not prior thereto, all unearned interest and all undisbursed advancements evidenced by said note, if any, on completion of said building to be credited on said note."

STATE OF TEXAS :
COUNTY OF DALLAS :

I hereby certify that I am the duly elected, qualified and acting Secretary of Theta Educational Foundation of Southern Methodist University, a corporation duly organized and existing under and by virtue of the laws of the State of Texas, and that the foregoing is a true and correct copy of a resolution of the Board of Trustees of said corporation, unanimously adopted at a special meeting thereof held at 2507 Auburn Avenue, in the City of Dallas, Dallas County, Texas, on the 11th day of December, A. D. 1950, at which meeting all of the Trustees of the corporation were present and voting; I hereby further certify that Bessie Mae Harris is the President of Theta Educational Foundation of Southern Methodist University and that she is duly elected, qualified and acting as such officer at this time.

IN WITNESS WHEREOF, I hereunto do affix my official signature and the seal of the corporation on this the 14th day of December, A. D. 1950.

Margaret Gillen Dunlop
Secretary